

Minutes of February 25, 2025

San Joaquin Health Centers Board of Directors

Board Members Present: Stacy Ferreira (Interim CEO); Becky Cook; Rick Ledo; Samantha Monks (Treasurer); Jodie Moreno; James Myers; Kristin Shinn (Vice Chair)

Excused Absent: Monica Fuentes; Brian Heck (Board Chair)

Unexcused Absent: None

SJHC Staff: Michael Allen (Board Clerk); Kim Cuellar; Jonathon Diulio; Mary-Lou Milabu; Cynthia Rios; Rachna Sharma

Guests: Brandi Hopkins; Sandy Regalo

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Kristin Shinn) 1. The meeting was called to order at 5:33 p.m. A quorum was established for today's meeting. 2. SJ Health Board of Directors' Attendance Record was made available.	2025 Board Member Attendance	No action required
II. Public Comment No public comment.	No attachment	No action required
III. Consent Calendar (Kristin Shinn) 1. The consent calendar for February 25, 2025 was presented A. Minutes of SJ Health Board Meeting January 28, 2025 B. Minutes of Audit Committee Meeting January 28, 2025	SJ Health Board Minutes 2025-01-25; Audit Committee Minutes 2025-01-25	1. Jodie motioned to accept the consent calendar and Samantha seconded; the motion was approved unanimously
IV. Regular Calendar (Kristin Shinn) 1. Kim Cuellar presented the Credentialing & Privileging Report. Initial appointment is for Daisy Sajuan, NP. Reappointments are Tonja Harris-Stansil, CNM and Yunah Hwang, NP. Resignations are Neeta Shroff, MD (departing 2/2/25) and Lauren Brown-Berchtold, MD (departing 2/7/25). 2. Rachna presented the financials for January 2025. Year-to-date (YTD) billable visits as of January are unfavorable to budget by 20,666 visits mainly related to 20,475 billable visits included in the FY25 budget pertaining to vacant positions not filled yet. Recruitment efforts are ongoing for additional providers to fill the vacant positions. 2 new Nurse Practitioners have been added in February to provide services at the Mobile Clinic and California Street clinics. Also, a new provider is hired in February to provide pediatric services. Job offers are being made to bring additional new providers on board soon. Net Patient Service Revenues for January are unfavorable to budget by \$1,002,684 primarily due to lower billable visits. YTD financials include the revenue recognition of \$400,000 for July and August for increase in revenues related to intermittent clinic strategy. YTD financials reflect an estimated YTD PPS liability accrual of \$175,000. YTD financials include \$596,285 related to the settlement payment received from Department of Health Care Services for FY2020 recorded in July 2024. In November, SJ Health Centers received the HEDIS incentive payment for \$1,212,593 for Year 2023 which has been reported on the FY25 balance	1. Credentialing & Privileging Report – February 2025 2. CFO Presentation – 2025-01; Finance Narrative – 2025-01 3. QI Quarterly Board Report_Feb2025 4. UDS 2024 Submitted 5. SJHC SAR 2024 – Final; San Joaquin Health Centers FS 2024 Audit Report – Final 6. CMO Report Feb 2025 7. Operations Report 2-5-25	1. James motioned to accept the Credentialing & Privileging Report and Becky seconded; the motion was approved unanimously 2. Samantha motioned to accept the Finance Report and Rick seconded; motion was approved unanimously 3. Jodie motioned to accept the Quality Report and James seconded; motion was approved unanimously 4. No action required 5. No action required 6. No action required

<p>sheet, and the related incentive revenue has been accrued in FY24.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$8,743,308. Also, YTD financials include Capitation Revenue for \$3,490,184 and 340B Pharmacy program revenue for \$1,788,873. Combined Grants Revenue includes revenues for Binational Health, ARPA, KP Health Connect, Bridge Access Program, Accelerating Readiness For An Aging Population, ECM, and HHIP Street Medicine grants for \$1,260,434. YTD Other Revenue includes revenues accrued for \$397,275 related to Purchased Services provided to SJGH by SJHC per the MOU. YTD Interest income for \$680,477 has been reflected on the financials, which is favorable compared to budget by \$335,185 mainly due to higher cash balance contained within the County Treasury.</p> <p>Total YTD Operating Revenue is unfavorable to budget by \$3,929,147 primarily due to lower billable visits in FY25.</p> <p>Salaries and Benefits expenses exhibit a favorable variance to budget by \$9,440,363 which is mainly related to vacant positions that have not yet been filled along with the lower benefits expense. For purposes of annual budgeting, per SJ County direction, county employees purchased by SJHC were budgeted at 65% benefits cost to salaries. Year-to-date actual benefits cost as a percentage of salaries, as of January 2025 is 47%.</p> <p>Other operating expenses exhibit an unfavorable variance of \$2,022,650 largely due to an unfavorable variance for \$2,188,042 for Professional Fees, Purchased Services, Supplies, Dues, Repairs, Telephone, Travel, Insurance, Rent and Miscellaneous expenses offset by a favorable variance of \$165,392 reflected in the Depreciation, Interest, Office, Advertising, and Utilities expense categories. An estimated accrual for the Purchased Services is recorded for July through January is based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$7,417,713.</p> <p>Unaudited, as presented, Net Income of \$2,523,795 on year-to-date represents a favorable variance of \$3,488,566 as compared to budgeted Net Loss of \$964,770. YTD Net Income is favorable mainly due to the actual salaries and benefits expenses lower than budget and accrual of revenues related to estimated PPS reconciliation settlements for FY25.</p> <p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 8.5% against a goal of >3%, Bottom Line Margin at 8.5% against a goal of >3%, Days Cash on Hand at 203 against a goal of >45 days, Days in Net Patient Receivables at 33 against a goal of <60 days, and Personnel-Related Expenses at 72% against a goal of <70%.</p>	<p>8. February 25 Interim CEO Board Report</p> <p>9. No attachments</p>	<p>7. No action required</p> <p>8. No action required</p> <p>9. No action required</p>
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3. The Quality report was presented by Mary-Lou Milabu. HEDIS/MCAS scores for calendar year 2024 were reviewed. Nine measures were met (>50th percentile), including Asthma Medication Ratio, Breast Cancer Screenings, Chlamydia Screening in Women, Childhood Immunization Status, Immunizations for Adolescents, Lead Screening in Children, Postpartum Care, Topical Fluoride for Children, and Child and Adolescent Well-Care Visits. Four measures were partially met (>25th percentile), including Cervical Cancer Screening, Timeliness of Prenatal Care, Well-child Visits in Ages 15 – 30 Months, and Well-child Visits in First 15 Months. Five measures were missed (<25th percentile), including Controlling High Blood Pressure, Developmental Screening in First 3 Years, Glycemic Status Assessment for Patients with Diabetes (HbA1C >9.0), Follow-up After ED Visit for Substance Abuse, and Follow-up After ED Visit for Mental Illness.

UDS 2024 Measure Performance was reviewed. All measures improved over 2023 metrics with the exception of Cervical Cancer Screenings, Weight Assessment Counseling, and Uncontrolled A1C (>9). Nine out of fifteen measures exceed the national average. Low Birth Rate scores were not presented, as confidence in this data was determined to be low.

QIP dashboard generated in-house was briefly presented.

Patient satisfaction overall scores are 57.5% positive, 18.5% negative and 24% neutral/mixed.

Updates and ongoing efforts include QIP Year 7 validation, monthly meetings with providers, appointment scrubbing (pre-visit planning), gap clinics, staff trainings (First 5, TFL, Cologuard), patient incentives for gap closure, HPSJ locums for gap closure, patient outreach using Luma platform, PDSAs, updating of educational materials and preparing for i2i rollout.

4. The finalized UDS report for 2024 was made available for all board members to review. There were no questions about this report.
5. Rachna noted that the audit is now complete. There were no material findings in the final report, only suggestions for improving finance and IT procedures. There were no questions from the board.
6. Dr. Diulio gave his CMO report, noting that recruitment efforts continue. We are also working with SJGH to address a specialty referral backlog. An update was given on the

<p>moving of SJGH's specialty clinics; due to this, we are ending our engagement with Dr. Saadat as the chronic disease lead. We will continue titration efforts in our outpatient clinics. We have also stopped doing circumcisions and paracentesis procedures in the outpatient clinic, as these are more appropriate for SJGH to conduct.</p> <p>7. Cynthia presented the Operations Report. We have created message pools to address medication refill management, starting in Manteca, then rolling out to Stockton and French Camp clinics. We have assembled a training team, including a certified trainer, to build structured training plans for clinic staff. We will also conduct just-in-time training for emergent issues, as they are identified. Staff huddles in all clinics begin 3/3/25. Policies have been established to address Delineation of Duties and Pre-Visit Planning. We continue to recruit new clinic support staff.</p> <p>8. Stacy presented her CEO Report. Lean engagement and workplan were noted; services contracted for a 1-year period from 3/15/25 – 3/14/26. Currently working on the 2025-26 staffing budget, which is very paperwork-intensive. No significant progress on the Lodi Access Center this month, as some non-clinical aspects are being worked on. Initiated service contract with Community Link Consulting for CFO coaching and finance department assessment.</p>		
<p>V. <u>Closed Session (Kristin Shinn)</u></p> <p>1. The Board discussed the interim CEO's employment contract. A motion was put forth to formally approve the CEO employment contract previously agreed during the closed session in November 2024.</p>	<p>No attachments</p>	<p>Kristin motioned to formally approve the interim CEO employment contract and Rick seconded; motion was approved unanimously</p>
<p>VI. <u>Adjournment (Kristin Shinn)</u></p> <p>There being no further topics of discussion, Kristin Shinn adjourned the meeting at 7:50 p.m.</p>	<p>No attachments</p>	<p>No action required</p>

***NOTE: Board Member joined remotely**

Board Sign-Off: _____ **Date:** _____